



MINUTES OF THE BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer  
Clerk of the Board of Supervisors  
383 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

Auditor-Controller  
County Counsel  
Director of Health Services

At its meeting held April 26, 2005, the Board took the following action:

S-2

Kae Robertson, Managing Director, Navigant Consulting, Inc., and Fred Leaf, Chief Operating Officer, and Dr. Thomas L. Garthwaite, Director, Department of Health Services, presented the attached activity report for the week ending April 22, 2005, detailing activities conducted by the Director of Health Services and Navigant Consulting, Inc. within Martin Luther King, Jr./Drew (King/Drew) Medical Center, and on the status of reform at King/Drew Medical Center.

Dr. Gwendolyn Harbert, President of the Committee of Interns and Residents, King/Drew Medical Center, Erlinda G. Abella, Chris Edwards, Celes King, IV, Ernie Smith, Ph.D., and other interested persons addressed the Board.

After discussion, Supervisor Antonovich made the following statement:

“For over a year, King/Drew Medical Center’s physician administrators (Dr. Theodore Miller, former Chairman of Radiology; Dr. Vaughn C. Payne, Jr., current Interim Chairman of Radiology; and Dr. Roger Peek, Chief Medical Officer) approved more than \$1.3 million in invoices for the services of a single contracted radiologist (Dr. Harold Tate of Reliable Health Care Services). These County physicians believed that the radiologist’s services and payments were appropriate, and therefore did not bring this matter to the attention of the Board of Supervisors. This kind of irrational, incompetent behavior will continue to cost the taxpayers millions of dollars until such County employees are held accountable.”

Therefore, on motion of Supervisor Antonovich, seconded by Supervisor Yaroslavsky, unanimously carried (Supervisor Knabe being absent), the Board took the following actions:

1. Directed the Director of Health Services to take the necessary disciplinary action for those clinical administrators involved in the case of the contract radiologist from Reliable Health Care Services;

(Continued on Page 2)

S-2 (Continued)

2. Directed the Auditor-Controller, in collaboration with the Director of Health Services, to review the utilization of all physician services contracts to ensure that there is appropriate oversight by clinical administration;
3. Directed County Counsel to review existing physician services contracts and develop contract language, where appropriate, to prevent the kind of inappropriate payments that were made in the case of the radiologist.

Supervisor Yaroslavsky made the following statement:

“Due to the loss of the residency program in radiology at King/Drew Medical Center, the Department of Health Services has provided radiology coverage through a contract with Reliable Health Care Services (Reliable), a physician registry service. Documents made public yesterday show that Reliable routinely billed the Department for more than 100 hours a week that were purportedly worked by a single physician. In many instances, this physician billed for more than 150 hours per week, all at a rate of \$225 per hour. Since March 2004, the Department has paid Reliable \$1.3 million for the services of this individual doctor.

“The Department indicates that the rate structure in Reliable’s contract permitted either a block payment of \$1800 for an eight-hour day, or payment at an hourly rate of \$225; but that payment of \$225 an hour for 24 hours straight is ‘clearly contrary to the rate structure provided under the agreement.’ The Department also indicates that the physician in question had a room to sleep in between calls. They believe he was paid at the \$225 rate not only while he worked, but also while ‘on call.’ The Department indicates that ‘the intent of the contract was not to compensate a physician while he slept.’”

Therefore, on motion of Supervisor Yaroslavsky, seconded by Supervisor Antonovich, unanimously carried (Supervisor Knabe being absent), County Counsel was directed to review the facts surrounding the contract for radiology services with Reliable Health Care Services, and if appropriate, to take any legal action necessary to recoup County funds that may have been inappropriately disbursed.

08042605\_S-2

Attachment

Copies distributed:

Each Supervisor  
Chief Administrative Officer